

## AUDITOR OF STATE[81]

### Adopted and Filed

#### Rule making related to organization and procedures

The Auditor of State hereby amends Chapter 25, “Organization and Procedures,” Iowa Administrative Code.

#### *Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code chapter 11 and section 17A.3.

#### *State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code sections 11.6, 11.31, 536A.2, and 536A.6.

#### *Purpose and Summary*

These amendments reflect the Office of Auditor of State’s compliance with Iowa Code section 17A.7(2), which states that, as of July 1, 2012, “over each five-year period of time, an agency shall conduct an ongoing and comprehensive review of all of the agency’s rules” with the objective of “the identification and elimination of all rules of the agency that are outdated, redundant, or inconsistent or incompatible with statute or its own rules or those of other agencies.” The amendments to Chapter 25 are intended to reflect the Office’s current organizational structure of three divisions and to rescind or amend rules to reflect various changes to the Iowa Code.

#### *Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on November 21, 2018, as **ARC 4125C**. A public hearing was held on December 11, 2018, at 10 a.m. in the State Capitol Building, Room 116, 1007 East Grand Avenue, Des Moines, Iowa. No one attended the public hearing. No public comments were received. No changes from the Notice have been made.

#### *Adoption of Rule Making*

This rule making was adopted by the Auditor of State on December 26, 2018.

#### *Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

#### *Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

#### *Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Office for a waiver of the discretionary provisions, if any.

#### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s

meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rule making will become effective on February 20, 2019.

The following rule-making actions are adopted:

ITEM 1. Amend rule 81—25.4(17A,11) as follows:

**81—25.4(17A,11) Distribution of duties.** The office of auditor of state has ~~four~~ three principal divisions, namely:

**25.4(1)** The ~~executive and~~ administrative division, under the direct control of the auditor of state, assisted by a deputy and administrative assistants, which exercises control and supervision of all activities of the auditor's office.

**25.4(2)** The ~~state~~ financial audit division, supervised and directed by a ~~supervisor~~ deputy appointed by the auditor of state, which is charged with the responsibilities of annual audit of all agencies of the state receiving or expending state funds, as well as audits of local governments such as counties, cities and schools as provided by statute. This division also performs reaudits and provides technical assistance to private citizens, CPA firms, government officials and other governmental agencies.

**25.4(3)** The ~~county audit~~ performance investigation division, directed by a supervisor appointed by the auditor of state, which is charged with the responsibilities of the annual audit of each county of the state conducting performance audits of state agencies, investigating suspected embezzlements, and conducting special studies as provided by statute.

**25.4(4)** The ~~municipal and school audit~~ division, directed by a supervisor appointed by the auditor of state, ~~which is responsible for the audit of cities and schools as provided by statute.~~

ITEM 2. Rescind and reserve rule **81—25.5(17A,11)**.

ITEM 3. Rescind and reserve rule **81—25.6(17A,11)**.

ITEM 4. Amend rule 81—25.7(17A,11) as follows:

**81—25.7(17A,11) Staffing.** Each of the divisions and agencies of the auditor's office is staffed by auditors and assistants appointed by the auditor of state, as provided for by Iowa Code ~~sections 11.7 and 11.8~~ section 11.31, and other personnel necessary to fulfill the requirements of the auditor's office.

ITEM 5. Amend rule 81—25.8(17A,11) as follows:

**81—25.8(17A,11) Annual audit.** The statutes of Iowa provide for annual audit of all state offices and departments of the state and the counties and cities and city offices, merged areas and educational agencies and all school districts and school offices except that cities having a population of ~~700 or more, but less than 2,000~~, shall be ~~audited at least once every four years and cities having a population of less than 700 may be examined as otherwise provided.~~

[Filed 12/26/18, effective 2/20/19]

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/16/19.